

Policy Changes to Implement 2018 Public Acts

Prepared for the Michigan House and Senate General
Government Appropriations Subcommittees, the Joint
Committee on Administrative Rules, and the House
and Senate Fiscal Agencies

April 1, 2019



EXECUTIVE SUMMARY

The Department of Technology, Management and Budget, in accordance with Section 221 of Public Act 207 of 2018, has prepared this Policy Changes to Implement 2018 Public Acts report. The Act states:

“Sec. 221. Each department and agency shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house of representatives standing committees on appropriations subcommittees on general government, the joint committee on administrative rules, and the senate and house fiscal agencies.”

With the exception of appropriations bills, seventeen acts impacting department activities became law in calendar year 2018. Following enactment, the Department made policy changes or took other actions to implement those acts where necessary. The following chart lists the changes made to implement each act as of March 31, 2019.

Please contact Kelly Hamilton, Legislative Liaison, Department of Technology, Management and Budget at 517-241-2120 for more information.

<i>2018 Public Act</i>	<i>Bill</i>	<i>Act Description</i>	<i>Policy Changes</i>
26	HB 5284	AN ACT to authorize the department of technology, management, and budget to convey state-owned property in Saginaw County; to prescribe conditions for the conveyance; to provide for powers and duties of state departments, agencies, and officers in regard to the property; and to provide for disposition of revenue derived from the conveyance.	As required by PA 26, the acceptance and conveyance of the vacated street property was completed. The Quit Claim Deed was signed by the Lt. Governor on August 1, 2018.
141	HB 4422	Retirement; public school employees; allowing a retirant to be employed at a reporting unit as school renewal coach or high impact leadership facilitator under certain conditions without forfeiting retirement allowance or health care coverage; provide for. Amends sec. 61 of 1980 PA 300 (MCL 38.1361).	This law modified the MPSERS Act to exempt retirees who have returned to work as a school renewal coach or high impact leadership facilitator in a MPSERS reporting unit from the post-retirement earnings limitation. ORS policies and procedures have been updated to reflect this.
158	SB 803	Liquor; licenses; alcohol sales in state-owned buildings; allow under certain circumstances. Amends sec. 519 or 1998 PA 58 (MCL 436.1519).	This law has allowed DTMB and local economic development partners to market Cadillac Place to restaurateurs looking to open a restaurant that serves alcohol in the New Center area.
159	SB 804	Property; state buildings; concession operations by blind persons; modify exceptions. Amends sec. 9 of 1978 PA 260 (MCL 393.359) by adding sec. 10a.	This law has allowed DTMB and local economic development partners to market Cadillac Place to food service providers. The first new business, <i>Foodie Fresh Market</i> , opened its doors in March 2019.
169	HB 5093	Retirement; public school employees; matching contributions for certain employees hired before July 1, 2010; provide for. Amends sec. 84b of 1980 PA 300 (MCL 38.1384b).	This law amended the MPSERS Act to provide for an employer matching contribution of 3% for MPSERS DC participants. This change has been implemented.
181	HB 5355	Retirement; public school employees; use of a level dollar method for paying off unfunded actuarial accrued liability; implement method beginning on certain date. Amends sec. 41 of 1980 PA 300 (MCL 38.1341).	This law amended the MPSERS Act to provide for the gradual move from a level-percentage of payroll amortization to a level-dollar amortization by reducing the payroll growth assumption by 50 basis points each year until it reaches zero. This change has been implemented.

328	SB 888	Retirement; public school employees; participation of certain student workers in retirement system; prohibit. Amends secs. 5 & 124 of 1980 PA 300 (MCL 38.1305 & 38.1424) & adds sec. 42a.	This law amended the MPSERS Act by removing part-time community college students from future membership in MPSERS. It provided an election for existing students who wished to remain in MPSERS and required ORS and the community colleges to develop a study for presentation to the legislature. This change has been implemented. The student election is in progress.
333	SB 908	AN ACT to authorize the state administrative board to accept from the city of Lansing property located in Ingham County; to reconvey the property to the city of Lansing with certain restrictions on the use of the property removed; to provide for the powers and duties of state departments, agencies, and officers in regard to the property; and to provide for the disposition of revenue from the conveyance.	The State and City of Lansing are finalizing this reconveyance required by PA 333. The property includes the Groesbeck Golf Course. The Attorney General has drafted the required documents. The Lansing City Council will be passing a final resolution authorizing the transaction, which will then be sent to the State Administrative Board for approval prior to execution.
335	HB 5652	Retirement; judges; determination of actuarial equivalent retirement allowance; modify. Amends sec. 604 of 1992 PA 234 (MCL 38.2604).	This law was a technical update to the Judges Act. It allows the board and DTMB director to determine the mortality table and assumed rate of return to be used for actuarial adjustments. This change has been implemented.
336	HB 5653	Retirement; state employees; determination of actuarial equivalent retirement allowance; modify. Amends sec. 49 of 1943 PA 240 (MCL 38.49).	This law was a technical update to the SERS Act. It allows the board and DTMB director to determine the mortality table and assumed rate of return to be used for actuarial adjustments. This change has been implemented.
357	HB 6379	Retirement; state employees; retired legislative employee employed for a special assignment; allow without forfeiting retirement allowance. Amends sec. 68c of 1943 PA 240 (MCL 38.68c).	This law amended the SERS Act to allow legislative retirees to return to work for the Legislative Service Bureau (LSB) without a suspension of their pension. This change has been implemented.
389	SB 1051	State financing and management; budget; budget process; modify. Amends secs. 113, 115, 123, 124, 283, 299, 343, 353, 363, 367, 373, 421, 462, 483, 484, 485, 486 & 487 of 1984 PA 431 (MCL 18.1113 et seq.); adds sec. 495 & repeals sec. 447 of 1984 PA 431 (MCL 18.1447).	This law codified many practices currently followed by the State Budget Office. The Executive Budget presented March 5, 2019 covers two fiscal years and includes estimates of revenues and expenditures by restricted revenue source, two existing practices added to the Management and Budget Act by the law. The new annual 5-year strategic plan and the new financial report will be completed within the timeframe set in statute.

482	SB 1225	Retirement; public school employees; retirant performing custodial, food, or transportation services as an independent contractor at a reporting unit; allow without forfeiting retirement allowance. Amends sec. 61 of 1980 PA 300 (MCL 38.1361).	This law modified the MPSERS Act to exclude custodial, food, or transportation from core services definition. ORS policies and procedures have been updated.
512	HB 6378	Retirement; public school employees; procedure for granting service credit to certain employees of a tax supported community or junior college; provide for, and revise method to calculate unfunded actuarial accrued liability. Amends secs. 41, 42 & 42a of 1980 PA 300 (MCL 38.1341 et seq.) & adds secs. 43h & 43i.	This law amended the MPSERS Act and was a continuation of the work done in PA 328. It created an election window for part-time community college students to claim unreported service. It required the payment of contribution, late fees; and interest for time associated with the PA 328 report; it removed the COE provisions; and updated the definition of intentional misreporting. This change has been implemented. The election is in process.
523	HB 6582	Civil rights; public records; freedom of information requests; require certain identifying information from requestor. Amends secs. 3 & 4 of 1976 PA 442 (MCL 15.233 & 15.234).	This law made several amendments to the Freedom of Information Act (FOIA) to require more complete information from requestors, such as including their last name on requests. DTMB has updated invoices and letters to reflect these changes.
556	HB 5411	Retirement; state employees; classification definitions for corrections security inspector and corrections security representative; provide for. Amends sec. 45 of 1943 PA 240 (MCL 38.45).	This law amended the SERS act to clarify the definition of several classifications within the Department of Corrections. These members are now considered to be in covered positions and eligible for different pension benefits. This change has been implemented.
673	HB 6475	Retirement; state police; general amendments to the state police retirement act; provide for. Amends secs. 3, 4, 11, 12, 14, 14a, 15, 23, 24, 25, 26, 27, 28, 32, 33, 34 & 42 of 1986 PA 182 (MCL 38.1603 et seq.) & adds secs. 15a, 24b, 42a, 42b, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 72, 73 & 74.	This law amended the SPRS Act. It codified the collectively-bargained Pension Plus hybrid plan; introduced level-dollar amortization; introduced normal cost and UAAL floors; and other technical updates. The IT changes are scheduled to be implemented. The other changes have been implemented.